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SENATE BILL 1116

48TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2007

INTRODUCED BY

Michael S. Sanchez

AN ACT

RELATING TO INSURANCE; REQUIRING CERTAIN HEALTH COVERAGE BE OFFERED REGARDLESS OF AN INSURED'S AGE OR HEALTH.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. A new Section 59A-18-13.2 NMSA 1978 is enacted to read:

"59A-18-13.2. [NEW MATERIAL] GUARANTEE OF COVERAGE. -- Every insurer, fraternal benefit society, health maintenance organization or nonprofit health care plan that provides primary health insurance or health care coverage insuring or covering major medical expenses shall not establish rules for the eligibility, including continued eligibility, of any individual to purchase coverage based exclusively on any single one of the following factors:

A. age;

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- 1 B. gender;
- 2 C. geographic area of the place of employment;
- 3 D. smoking practices;
- 4 E. individual's residence;
- 5 E. health status; or
- 6 F. occupational or industry classification. "

7 Section 2. Section 59A-44-16 NMSA 1978 (being Laws 1989,
8 Chapter 388, Section 16) is amended to read:

9 "59A-44-16. BENEFITS. --

10 A. A society authorized to do business in this
11 state may provide the following contractual benefits in any
12 form:

13 (1) life insurance, endowment benefits and
14 annuity benefits as defined in Section 59A-7-2 NMSA 1978;

15 (2) health insurance benefits as defined in
16 Section 59A-7-3 NMSA 1978;

17 (3) monument or tombstone benefits to the
18 memory of deceased members; and

19 (4) such other benefits as authorized for
20 life, accident and health insurers and which are not
21 inconsistent with Chapter 59A, Article 44 NMSA 1978, as
22 approved by the superintendent.

23 B. A society shall specify in its rules those
24 persons who may be issued, or covered by, the contractual
25 benefits in Subsection A of this section, consistent with

1 providing benefits to members and their dependents. The
2 society's rules may not deny any of the contractual benefits
3 set forth in Subsection A of this section based solely upon
4 potential or probable risk. A society may provide benefits on
5 the lives of children under the minimum age for adult
6 membership upon application of an adult person having an
7 insurable interest as defined in Section 59A-18-4 NMSA 1978. "

8 Section 3. EFFECTIVE DATE. -- The effective date of the
9 provisions of this act is July 1, 2007.

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